



The Global Language of Business

GS1 UK guide

# Selling on online marketplaces: An introduction

April 2015



# 1. Introduction

Welcome to the GS1 UK guide to selling on online marketplaces. This guide is intended to provide informative insights for merchants already selling on marketplaces, so we have assumed a certain level of knowledge for readers. We hope that you find this guide useful in supporting the growth of your retail business.

## 2. How can I grow my sales online via marketplaces?

Most companies that have sold products online will have come across one or more marketplaces. The largest marketplaces in the UK, by revenue and product range, are eBay, Amazon, Rakuten's Play.com and Tesco.com. They all differ slightly in terms of which categories are available and the fees charged.

All of the companies are multi-category retailers and have millions of registered customers. Depending on which products you would like to sell and your approach to selling costs, you may choose one, a combination or all of these platforms to trade on.

Setting up an account on any marketplace is generally straightforward though some may require you to go through an approval process, and Tesco.com is currently operating an invitation-only policy for merchants at the time of writing.

In this paper, we will provide an overview of how to get started with selling on the major marketplaces, including how to get your products set up and tips on maximising your sales.

### Top tip

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**Ensure you don't miss news and update emails from the marketplace. These can end up going to a customer service or sales email address at your company and you may miss important information if the right teams do not receive them.**

### Top tip

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**When choosing an email address for your business and/or marketplace correspondence, it may be worth investing in your own web domain rather than using a Hotmail, Gmail or similar domain, which can help to heighten the professional perception of your company.**

# 3. Product strategy

## 3.1 The Product creation process

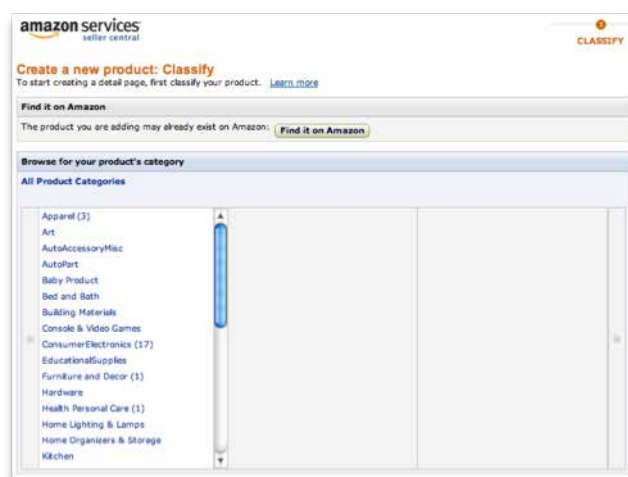
### Do I need to create products on marketplaces?

In general, this depends on whether that product information already exists on the marketplace. If it does, you should be able to just create a listing against the product. If it does not, you will need to create a product record, containing all the necessary information about the item to inform customers about what they are being sold.

### How do I create products on marketplaces?

If you are required to create product pages on marketplaces, you will find that the process is slightly different for each site. In general, you will have options available to you where you can either upload products one-by-one or in bulk using a text file. The templates for these are different for each site and are provided by each marketplace directly to you. Aside from eBay, or special privileges assigned to large/approved merchants on other marketplaces, your products will usually go through an approval process, which can vary in timescale.

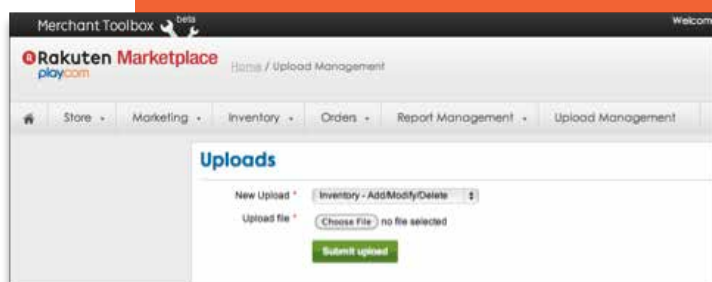
One key piece of product information required for selling online is a GTIN. See the 'Using Product IDs' section of this paper for more information on this subject. GS1 UK offers a service called My Numberbank to members, which can be used as a repository for your (textual) product information and helps to make product creation across various sales channels consistent.



Example of the one-by-one product creation facility (above), and an example extract of a bulk product creation file (below) showing instructions page, both from Amazon

### Top tip

A quick way to ascertain if your products already exist on some marketplaces is to create a bulk listings file (including GTINs) and upload it in your merchant account. Usually by return you are shown which products did not match.



Example of the bulk listing upload facility on Rakuten's Play.com

### What attributes do I need to add to my products?

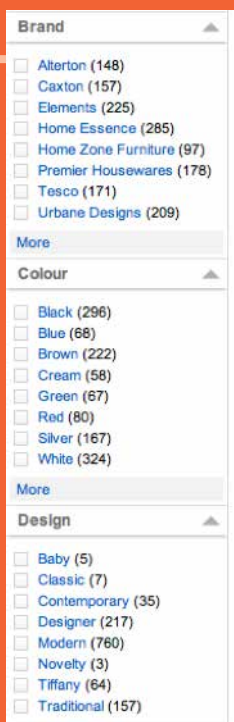
A product attribute is a descriptive element of a product, such as colour. Each marketplace differs on the attributes that can be added for each product category. There are numerous template files available from each marketplace that list out the fields available for each product category where you can sell items. There is usually a combination of compulsory and optional fields to populate.

When deciding whether to populate the optional fields or not, consider whether this information is likely to be helpful for customers who are considering purchasing the item.

Field Name	Definition	Required Values	Standard	Required
Product Name	The name of the product. It must be unique and cannot contain any special characters or symbols. It must be in English and cannot exceed 255 characters.	Product Name	Yes	Required
Product Type	The type of product. It must be one of the values listed in the Product Type dropdown menu.	Product Type	Yes	Required
Product Brand	The brand of the product. It must be one of the values listed in the Product Brand dropdown menu.	Product Brand	Yes	Required
Product Category	The category of the product. It must be one of the values listed in the Product Category dropdown menu.	Product Category	Yes	Required
Product Price	The price of the product. It must be a positive number and cannot exceed 999.99.	Product Price	Yes	Required
Product Weight	The weight of the product. It must be a positive number and cannot exceed 99.99.	Product Weight	Yes	Required
Product Length	The length of the product. It must be a positive number and cannot exceed 99.99.	Product Length	Yes	Required
Product Width	The width of the product. It must be a positive number and cannot exceed 99.99.	Product Width	Yes	Required
Product Height	The height of the product. It must be a positive number and cannot exceed 99.99.	Product Height	Yes	Required
Product Image	The image of the product. It must be a valid image file and cannot exceed 1000x1000 pixels.	Product Image	Yes	Required
Product Description	The description of the product. It must be a valid text string and cannot exceed 255 characters.	Product Description	Yes	Required
Product Keywords	The keywords for the product. It must be a valid text string and cannot exceed 255 characters.	Product Keywords	Yes	Required
Product GTIN	The GTIN of the product. It must be a valid GTIN and cannot exceed 14 characters.	Product GTIN	Yes	Required
Product EAN	The EAN of the product. It must be a valid EAN and cannot exceed 14 characters.	Product EAN	Yes	Required
Product ISBN	The ISBN of the product. It must be a valid ISBN and cannot exceed 13 characters.	Product ISBN	Yes	Required
Product UPC	The UPC of the product. It must be a valid UPC and cannot exceed 12 characters.	Product UPC	Yes	Required
Product MPN	The MPN of the product. It must be a valid MPN and cannot exceed 14 characters.	Product MPN	Yes	Required
Product Manufacturer	The manufacturer of the product. It must be a valid text string and cannot exceed 255 characters.	Product Manufacturer	Yes	Required
Product Country of Origin	The country of origin of the product. It must be a valid country code and cannot exceed 3 characters.	Product Country of Origin	Yes	Required
Product Condition	The condition of the product. It must be one of the values listed in the Product Condition dropdown menu.	Product Condition	Yes	Required
Product Availability	The availability of the product. It must be one of the values listed in the Product Availability dropdown menu.	Product Availability	Yes	Required
Product Stock	The stock of the product. It must be a positive number and cannot exceed 9999.	Product Stock	Yes	Required
Product Status	The status of the product. It must be one of the values listed in the Product Status dropdown menu.	Product Status	Yes	Required

**Top tip**

Check which filters a marketplace displays when customers are searching or browsing products – don't miss out on traffic to your products by not populating corresponding fields when creating products.



**What information do the marketplace search engines index about my product/listing?**



A search for 'mens gift' on Rakuten's Play.com shows items that do not contain this phrase in the indexed product data, so it is likely that the additional search term field has been used to capture traffic from this term

The search engines on marketplace sites do not search through entire product records when a user inputs a keyword or phrase. They focus on indexing only particular fields, which saves time and keeps the search results more relevant for users. Typically they index the product title, brand, author/artist/key actors and related search terms that have been added to the product during the product creation process.

**What if I do not have all of the compulsory product information to hand?**

If you are the manufacturer of the product, you have access to the physical product and should be able to create the product information. There may be a cost associated with doing this from use of your resources or from outsourcing this as a service.

If you are a product reseller, you will need to contact the original manufacturer (or your supplier) to obtain the product information.

If you are having difficulty with product data, GS1 UK have a range of tools available for our members to use – contact us to find out more.

**The importance of product images and good quality product data**

It is worth spending time creating good quality product data on a marketplace. Product information is your way of marketing to customers and needs to be accurate and compelling. Bad images, too-brief descriptions or absence of key product attributes may put customers off.

In general, marketplaces insist on at least one image per product and have guidelines on the formatting they require.

Good practice for image creation is as follows:

**White background** – gives a clean look and optimises clarity of the product.

**Think big** – most sites have zoom capability so ensure you provide an image that can be cleanly enlarged without pixilation.

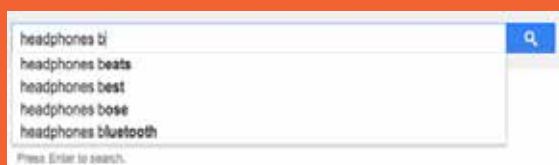
**Additional images** – if your product looks markedly different at different angles, these are likely to be of interest to customers so add multiple images – the major marketplaces all allow this at no extra charge.

**Standard format** – JPG format is usually preferred.

**Keep it clean** – avoid including borders, logos, watermarks or props. Marketplaces usually have policies

**Top tip**

Use the search term fields in the product creation files to ensure customers can find your products using related keywords that don't naturally appear in your product title. Using tools or facilities available via the major search engines (for example, Google's keyword tool) can give you information on what people are searching for in relation to your types of products.



that restrict this but it is also aesthetically preferable to leave these out. If possible, show the product outside its packaging too.

**Professional quality** – the quality of the image is an opportunity to build credibility and confidence with the customer so opt for a good standard to ensure you are perceived as a professional organisation. Make sure the image is in focus and well-lit.



## Which ID should I use?

GS1 UK is the UK's issuing body for GTINs, which are codes that can be assigned to uniquely identify your products. Books are an exception, as they use ISBNs for product identifiers which are assigned by the ISO TC46: Information and Documentation Committee. ISBNs can be formatted as GTINs and so are compatible with GS1 standards. A GTIN may be used in the form of a bar code or as a set of numbers when used electronically – eg on a website or in a database. GTINs are global, so you can use the same GTIN for the same product to be sold in any territory.

## How do I obtain GTINs for my products?

If you are the manufacturer of the product, you will require a GTIN for your product. You can acquire GTINs from GS1 through your GS1 membership which enables allocation of GTINs, please contact +44 (0)20 7092 3500 for further information.

If you are a product reseller, you will need to obtain the existing GTIN from the original manufacturer (or your supplier) of the product. If you have difficulty with this, GS1 UK may be able to assist you; please contact +44 (0)20 7092 3500 for further information.

## How should brand ownership be managed?

Most products have a brand associated with them, whether that brand is visible/prominent or not on the product. If you are a brand owner, ensure the name is included in the product title and any other relevant fields. Counterfeit products are strictly prohibited on marketplaces and you can contribute to keeping them out. Make sure your products are distinct from similar or suspect items and report any suspected counterfeit items to the marketplace for investigation.

Also be vigilant when purchasing branded goods from suppliers – use reputable companies where you have full confidence in the authenticity of the products you are buying. Merchants found to be selling counterfeit products on marketplaces will almost certainly have their accounts terminated, funds may be retained and criminal proceedings may be followed.

### Top tip

**The terms and conditions you trade under on a marketplace will usually pass on responsibility for the accuracy of product data to the data provider (which is you if you submit the data to them). Ensure your data is accurate and does not contain any misleading hyperbole, such as 'This product will eliminate 100% of your household dust!'**

### Top tip

**The product title is arguably the most important part of a product record to get right. The title will appear in search results and top seller lists alongside other places across a marketplace site. It has the most exposure, along with the main product image. Make sure you consider what the customer needs to learn about your product from its title – eg item name, colour, size.**

## 3.2 Using product IDs

In an ideal world there would be a unique ID used universally by everyone for every product, but that is not always what happens in practice. In this section, we explain why unique IDs are important as well as guidelines on how to obtain them.

### Why is a unique ID important?

The ability to uniquely identify a particular product is essential as it avoids confusion and problems through the product lifecycle and sales cycle. It enables the avoidance of duplicates, the ability to accurately control stock and ensures customers receive the product they ordered.

### Top tip

**Don't be afraid to list against the same products as Amazon does (they are the only marketplace with a competing retail business). Amazon can go out of stock like anyone else.**

### 3.3 Creating listings

#### What is a listing?

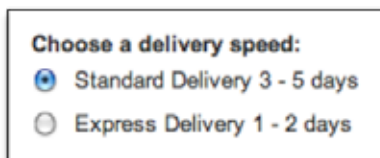
Speaking generally and in relation to marketplaces only, a listing is an offer against a product that is comprised of a price and availability (such as immediate or 2-3 week dispatch). It may also include information on the condition of the product if it is not brand new – for example ‘missing instructions’ or ‘slight wear and tear on the corners’. A listing usually does not contain any product-specific information.



DVD page on ebay showing listings from multiple merchants

Please note, however, that eBay generally combines the notions of products and listings (referred to collectively as ‘listings’), so you create and manage the product information and listing information using the same process on their site.

They do unify listings in some product categories, such as DVD, where eBay provides the standard product information as a base for the listings.



#### Creating bulk listings

Each marketplace has template files that you can use to create listings in bulk. These can usually be obtained via your seller account or from the marketplace directly.

#### Handling availability

The availability specified in your listing is used towards creating a promise to any customer placing an order against it. It is therefore critical that the availability you specify is accurate, so that you do not fail the customer promise, which can impact your sales levels if it results in poor feedback from your customers.

Each marketplace has guidelines on which availability options are offered to merchants – whether they require you to have items on hand or allow you to offer longer lead times to customers. They will also have a policy on where merchants can geographically ship items from and may provide pre-determined lead times on how long, for example, it will take to ship an item from Germany to the UK.

#### Top tip

**Maximise the opportunities you create to put your product in the hands of customers via availability. Consider using as many of the postage options the marketplace allows you to use as possible, opening up your geographical shipping policy and assessing which inventory is available to you directly or via drop-shippers.**



## 4. Competing on marketplaces



Many marketplaces will show your performance in an easy to read scorecard (shown here: Amazon)

### 4.1 Key Performance Metrics

Most marketplaces operate some sort of Key Performance Metrics (also known as Key Performance Indicators, or KPIs) for their marketplace merchants, although this may not always be explicitly published. Typical metrics include:

#### Top tip

Some marketplaces notify merchants of sales opportunities, such as popular search terms with few products or units available. Check with the marketplace to see what insight they can offer.

**Sales value and order volume** – While these values on their own will not affect your account standing, greater sales will make other KPIs less prone to spikes, and you may qualify for different fee tiers or be assigned an account manager as your sales grow.

**Feedback score and feedback ratings** – obviously negative feedback is bad, but not receiving any feedback can indirectly count against you as any negatives will be proportional to a lower base. Do what you can to actively encourage buyers to leave positive feedback. If you resolve a dissatisfied customer’s complaint, you can request to have the negative feedback removed and even look to turn that feedback to positive through the provision of a quality resolution experience.

**Average dispatch time** (sometimes known as Days Sales Outstanding / DSO) – the quicker the better but for most marketplaces you should try to keep this under 2 business days. If you are using a drop-shipper ensure that you know exactly what inventory is on-hand and ready to ship immediately.

**Refund rate** – the percentage of your orders that have been refunded.

**Chargeback rate** – the percentage of orders that a customer has disputed via their credit card provider.

#### Top tip

Most marketplaces can distinguish between a stock-out refund and a customer-requested refund. Often the latter will not count against you at all.

**Claims rate** – the percentage of orders that a customer has disputed by contacting the marketplace directly.

These metrics may be industry – or even category – specific and performance can often be judged relative to your peers within a particular sector. For example, clothing sellers may see higher return rates because of items not fitting.

#### Top tip

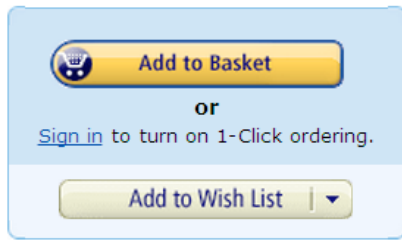
Amazon implements restrictions on which merchants can sell in Toys & Games during the Christmas period. Ensure your performance is good and plenty of sales have been made prior to Q4 to be eligible.

Marketplaces such as Amazon, Tesco and Rakuten’s Play.com will often refer to a combination of these as your Order Defect Rate. Keeping this as low as possible will result in uninterrupted selling and access to the Buy Button where available. For full details on Order Defect Rates you should refer to the documentation supplied by your chosen marketplaces.

### 4.2 The Buy Box / Buy Button

If you are ‘promoted’ to the Buy Box position it means that when a customer clicks ‘buy’ on the product detail page, all purchases will be sent automatically to you. Although customers can still browse other merchants, winning the Buy Button is obviously a big deal for marketplace sellers. Over the years, customers have become accustomed to clicking this button when buying from a retailer directly.

Winning the Buy Button therefore gives the featured merchant a huge advantage relative to anyone else who is selling the item. It is not uncommon to see a five-, ten-fold or even greater increase in sales after being promoted to this position.



The Amazon Buy Button. When you are promoted to this, Amazon will send all orders made through it directly to you

This has huge implications for the marketplace, its customers and its merchants. If sellers fall short on inventory levels then thousands of customers can be left disappointed. For this reason, marketplaces do not take the decision to promote a merchant lightly. They must prove that they can handle it by carefully managing their Order Defect Rate (see Key Performance Metrics above) over a sustained period.

Currently the idea of winning the Buy Button is unique to Amazon among the major marketplaces, since Play.com removed the concept recently. Amazon do not publish their criteria for winning the Buy Button as it may change over time or vary by category. However, careful management of your KPIs will always help.

**Top tip**

**Order Defect Rate is calculated at an account rather than item level.**

In addition, consider the following factors:

**Price** - marketplaces do not want their customers to find the same item cheaper elsewhere so (all other things being equal) the lowest priced item will have a higher chance of winning the Buy Button (even in some cases, where the marketplace themselves are selling the item). Under-cutting other sellers by one penny, however, may not be enough to win the Buy Box. If the other seller has an equally strong track record as you, it may take a price difference of a few percent to dislodge them from the Buy Box.

**Availability** - clearly to support the increased sales, a merchant must have good on-hand availability of the item, but longer-term availability is also known to help with winning the Buy Button. Merchants who have stable, high inventory volumes which do not go out of stock repeatedly over time stand a better chance than those whose inventory levels drop to zero frequently.

**Order Defect Rate** - you are unlikely to be promoted to the Buy Button if your order defect rate is above 1%. In





the event that your account does go over this, consider some short-term promotional activity to boost sales and get your overall rate down. Order Defect Rate is usually calculated at an account rather than item level.

**Selling History** – your sales history, including the amount of time you have been selling, and the volume of sales you have successfully fulfilled, plays a large part in influencing your eligibility to win the Buy Box. It can be worth discounting your products to achieve high sales volumes – see ‘Pricing Strategy on Marketplaces’ opposite.

**[Amazon Only] Fulfilled by Amazon** – if you rely on Amazon to warehouse and fulfil your orders for you, they can guarantee that the on-hand quantity is sufficient to meet demand and that there will be no question about dispatch times. It also makes orders eligible for Amazon Prime. However, although it can help a lot, Fulfilment by Amazon is not essential to winning the Amazon Buy Button.

#### Top tip

Some marketplaces have built-in tools that allow you to send emails to your customers.

### 4.3 Pricing strategy on marketplaces

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Generally speaking, marketplaces take a very relaxed view about low prices, even encouraging them from their marketplace sellers. This is because the costs associated with a marketplace sale are relatively low compared to selling the same item directly. The marketplace has no cost of goods, postage, packaging, or warehousing to pay for, so it is possible for them to profit from marketplace sales at very low prices.

In addition, having the lowest prices means that customers will not shop elsewhere and may add other items to their basket before check-out.

As the seller, however, things are not so easy. Competition can be fierce and margins can be quickly consumed by under-cutting from other sellers. Re-pricing software from third party vendors can help alert sellers quickly in the event that somebody comes in with a lower price, and in many cases, can automatically adjust your pricing to remain competitive.

Some sellers are happy to sell items at (or even slightly below) cost for a very simple reason. Winning sales means an opportunity to build up a trading history, feedback count/score, and achieve a very low Order Defect Rate. All of this helps to improve chances of winning the Buy Box further down the line.

Remember also, that most marketplaces will take a very dim view of sellers using marketplace sales as a way of gathering customer data and conducting follow-up marketing. This may breach their user agreements, or in some cases data protection regulations.

To avoid sanctions, you should ensure that you are fully aware of what each marketplace will and will not allow you to do, and do not assume that future marketing is a reason for loss-leading sales.

# 5. Promoting your product

## 5.1 Automated promotion slots

A certain amount of promoting your products takes place automatically on the marketplace once you are up and running. This is called automated promotion and types include:

- Statistical (e.g. 'Hot products', 'Top 10 lists')
- Associative (e.g. 'People who bought X also bought Y')
- Social (e.g. 'Wish Lists')



These are usually based on order records or browsing data and can work effectively for you once you have a trading history on the marketplace.

However, when you are just starting out you will not have that luxury. You need to consider what you can do to get your products seen, and bought, more often.

Once this happens, momentum will start to build. Sales will lead to more sales as your products naturally start to appear in these automated promotion slots.

While you are building up this trading history, you may want to consider short-term discounting. The increase in sales will start to get your product appearing in automated promotion slots as it becomes associated with other products and/or becomes a hot-selling item.

These order and browsing associations will not disappear overnight, and will help your sales even when the period of discounting ends.

## 5.2 Manual promotions

You can also create item-level promotions on many of the marketplaces of your choice. These are usually free if they are associated with your own item (e.g. 'Free delivery on all orders' or 'Buy this item in May and get a free mouse mat')

### Top tip

Some marketplaces will let you link products together (eg associated accessories) at the point of listing creation. This can help you promote relevant and recommended cross-sell opportunities on product pages.

If you want to create a promotion or campaign that is advertised elsewhere, such as in emails (other than to your own customers – see Marketplace Email Services below) or in banner advertising on category or homepages, you may need to pay for these.

Your chosen marketplace may operate a paid scheme such as Amazon Sponsored Products (see image below). These work very similarly to paid search links on search engines, where you bid on search terms and pay for every click your product ad receives.



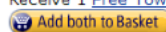
A sponsored product ad on Amazon

You may need to fulfil certain other criteria, such as winning the Buy Button or having a specific type of merchant account. Contact your chosen marketplace for full details.

### Special Offers and Product Promotions

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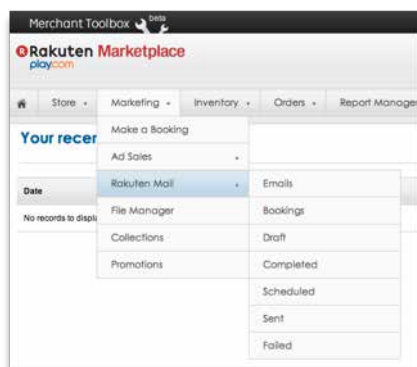
- Receive 1 [Free Towel Hook](#) free when you purchase 1 or more Qualifying Items offered by Daffodil UK. [Here's how](#) (terms and conditions apply)



Example of a seller promotion on Amazon

### 5.3 Marketplace email services

Some marketplaces offer free email campaigns as part of your shop subscription fee. For example, Rakuten's Play.com allows you to send weekly emails to customers who have previously bought one of your products. You should max out your allowance on these, but be careful to ensure the products in your promotion are relevant to the customer you send it to.



eBay offers a similar service, but one that puts the tools in the hands of the buyer. Customers must first opt in to receive your newsletters by subscribing or 'following' you; after opting in they are added to your list of subscribers.

You can create and manage different mailing lists and send 1,000-5,000 free emails each month depending on your store level.

To see what campaign slots are available you should log in to your merchant account and look in the 'Campaign' section or 'Advertising' tab.

#### Top tip

**Encourage subscribers to sign up for your emails by adding a promotional link to your shop.**

It goes without saying that you should never advertise to marketplace customers outside of the mechanics permitted by your chosen marketplace. Only the marketplaces themselves will know the customer's email preferences and sending promotional emails could leave you in breach of data protection regulations.

Even something as simple as including promotional flyers inside the packaging of an order can be frowned upon and could jeopardise your account status.

### 5.4 Promoting your store front

What is permitted, even encouraged, is promoting your own store front on the marketplace. Most marketplaces have a short URL that you can use (eg: play.com/stores/yourname) in customer communications and packing slips. Your store front will show only your



Example of a seller promotion on Amazon

products, although customers will still be able to click away to other sellers if they choose.

Finally, the promotion of your marketplace store does not have to be limited to the marketplace itself. Once you have discovered your shop URL you should add this to your company stationery, email signatures, social media sites, and any advertising outside of the marketplace.

### 5.5 Summary: Do's and don't's

**DO** max out your allowance of emails if they are available on your marketplace of choice.

**DO** use short-term discounting to encourage your products to appear in automated promotion slots.

**DO** use your inventory template to set up browsing associations for your products.

**DO** find out your short URL on each marketplace and use this to promote your store front.

**DO NOT** be tempted to market to customers outside of the marketplace or inside the order packaging.

## 6. Distance selling regulations

If you are selling as a business via an online marketplace you must comply with UK Distance Selling Regulations, sometimes shortened to DSR (not to be confused with Detailed Seller Ratings on eBay).

A commonly cited exception is auction listings on sites such as eBay. However the regulations still apply to any item bought using the Buy It Now button or an equivalent checkout process, even if the item is also listed as an auction.

The regulations require you to offer a minimum standard of information on your listings, such as the full price including all taxes and delivery charges, your contact details, and your customers' rights regarding cancellation.

Online marketplaces will display much of this information on your behalf, such as on your seller profile page, but the responsibility lies with the seller to check that the information is complete and accurate.



Even if you create an auction, DSRs still apply if the customer checks out with Buy It Now

Under the Distance Selling Regulations you must also give your customers the right to cancel or withdraw from the sale. This effectively amounts to a “No questions asked” guarantee to refund a purchase, and is intended to give consumers the same opportunity to examine the items as they would in a shop.

It is good practice to use this to your advantage in your listings. Saying something like, “Buy with confidence: 7 day NO QUESTIONS ASKED refund policy” will give your customers more confidence than not saying anything at all, and you are not giving away any more protection than your customers are entitled to anyway.

### Top tip

**Use the DSRs to your advantage and shout about how great your refund policy is in your listing description or comments field.**

There are a small number of exceptions to the Distance Selling Regulations but in any case they represent a good code of practice even where they do not apply. It is also worth noting that each online marketplace most likely has a similar minimum code of practice. This is in addition to the DSR and does not replace or override it.

### Top tip

- **DSRs DO apply to many eBay sales.**
- **You cannot insist on goods being returned before you make a refund:**
- **Unless you have stated up-front in your listing:**
  - You are responsible for the cost of return postage;
  - You cannot charge a restocking fee.

Full information regarding the Distance Selling Regulations can be found on the Trading Standards site at <http://dshub.tradingstandards.gov.uk/> and information on the distance selling of food provision in EU1169 / 2011, article 14 can be found here [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/82663/consult-fic-guidance-20121116.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82663/consult-fic-guidance-20121116.pdf).

## 7. Selling internationally

### 7.1 Benefits of selling internationally

Marketplaces represent a great channel to test and expand into international territories, as they already have a large customer base in place. A simple way to expand internationally is to add international postage options to your listings, immediately making your products accessible to customers ordering from overseas. International orders can typically total up to 10-20% of a marketplace's customers, and can help you determine which of your products are likely to be popular in a particular territory.

#### Top tip

**On average, listing an item with international delivery can increase your sales by around 10-20%.**

However, the real prize is actively listing on international marketplaces. eBay states that this can generate as much as eight times as much revenue as simply making a domestic listing available for international shipping<sup>1</sup>.

Where marketplaces have international sites (as opposed to just international customers on a domestic site) you often have the choice of creating a listing and making it available internationally, or setting up separate stores and listings separately on each site.

#### Top tip

**The real strength of sourcing a GTIN from GS1 is that it is a global product identifier. This means that it can be easily used to sell your item all over the world.**

While this will result in greater fees, many sellers feel this keeps things simpler, and is a good way to test out a territory without putting your domestic feedback and main account at risk.

### 7.2 Commercial considerations

You should consider the costs and times involved in sending your items internationally and update your listing information accordingly. Bear in mind that even if you are explicit in your comment that the item is subject to international shipping times, it may be hard to meet or beat customer expectations, which can have an impact on feedback.

<sup>1</sup><http://www.youtube.com/watch?v=65dNyF8gOYU>

#### Top tip

**You do not need to create different seller accounts to sell internationally on many marketplaces. You simply make your UK listings available for international trade.**

When expanding into a new market or marketplace, it is always advisable to test the water first, starting off small with a handful of listings in order to get a feel for cultural nuances, shipping times, expected volumes, returns and so on. You may also want to consider 'ring-fencing' the experiment by creating a separate account, but check with your chosen marketplace regarding their rules on creating multiple selling accounts.

It may seem obvious, but when you sell internationally you will start to receive customer enquiries, complaints, claims and feedback in languages other than English. You should take whatever steps necessary to ensure you fully understand communications from international customers, including employing a native speaker or translator to deal with customer service.

Finally, it is worth considering that there may be restrictions on the sale of certain products outside of the UK. This can include goods which have rules on import and export, such as food products, products containing chemicals or batteries, or products that are restricted or forbidden entirely in a particular territory such as alcohol, adult material or products whose distribution is restricted by copyright.

### 7.3 Tax and shipping considerations

If you decide to sell internationally, you may be required to register for VAT purposes in each of the countries you sell into. The regulations are not simple, and can vary depending on whether you are selling to private individuals or businesses, whether the customer is in an EU member state and, in some cases, on the volume of sales you make into a particular country.

Your products may also be subject to import duty, which could result in packages being held up at customs. Most marketplaces, and most customers, will hold you responsible for this, so ensure you understand what charges need to be pre-paid before you start selling into a particular country. A good place to start is <https://www.gov.uk/starting-to-export>.

The regulations for tax and duty are not always simple and it is better to be safe than sorry. It is advisable that you seek advice from a taxation expert if you are unclear about which regulations apply to you.

## 8. Support available to you

There are a number of options for support in the marketplace world, and it is worth investigating which one or combination of them will be of most benefit to your company. Options available include:

**Marketplaces** – typically there is a lot of information available to merchants on each marketplace, either within your selling account or in the help section of the marketplace site. Details on how to access this information should be provided when you set up an account. In addition, depending on your turnover either as a company or your potential on the marketplace, you may be offered account management support. For example, Rakuten's Play.com offers many sellers an assigned 'ECC' (E-Commerce Consultant, a.k.a. Account Manager) as well as access for all merchants to a support team that can answer most day-to-day queries.

You will be able to access reporting within your selling account on a marketplace also, which in itself can be a source of support as you will be able to run reports on your performance, orders and products/listings.

**Service providers** – there are many service providers in the e-commerce industry that can provide functional support for your business. Their services range from operating fulfilment on your behalf through to use of

their software that can help you to manage all your sales channels centrally. You may consider employing the services of these providers if you start to find it impractical to manage listings and order data across multiple sales channels and would prefer to have one account to operate them from.

**Industry communities and blogs** – there are thousands of companies selling on marketplaces in the UK and many of them congregate as users of blogs and forums online, where experiences, issues and solutions are shared. You can find them either by searching on a major search engine with phrases such as 'Selling on [marketplace name]' or by entering phrases related to your query for quicker access to specific discussions.

**Industry organisations** – organisations like GS1 are available to offer support for your online selling success. GS1 provides help with setting up new products, using GTINs, and will help you keep up to date with industry standards and developments.

Other organisations, such as the industry-specific Toy Retailers Association or IMRG, can offer key membership benefits around topics such as changes in legislation.



## 9. How GS1 UK can help further

If you have any questions about the content in this guide, you can contact the GS1 UK service team. Please note however that each marketplace has different rules and expectations in terms of how merchants should operate, so it may be best to approach the specific marketplace directly.

You can contact us via the following channels:

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**T** 0808 178 8799 or alternatively call

**T** +44 (0)20 7092 3501

Service team opening hours:

Monday to Friday - 8:30am to 5:30pm

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